

1 Q. Please explain why Isolated Diesel System costs are proposed to be included in the modified
2 Electrification, Conservation and Demand Management Cost Deferral Account [Schedule 1,
3 Appendix B] but no recovery mechanism was provided.

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6 A. The conservation and demand management (“CDM”) costs for Isolated Diesel Systems have
7 historically been recovered through the CDM Deferral Account. Newfoundland and Labrador
8 Hydro intends to recover the Isolated Diesel System costs through the proposed Electrification,
9 Conservation and Demand Management Cost Recovery Adjustment.¹

¹ “Application for Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021–2025,” Newfoundland and Labrador Hydro, rev. 1, July 8, 2021 (originally filed June 16, 2021), sch. 1, app. C.